

KING COUNTY, WASHINGTON

COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2002

2002 ASSESSED VALUE	\$ 224,994,598,210
Debt limit of limited tax (LT) general obligations for metropolitan functions	
3/4% of assessed value	\$ 1,687,459,487
Less: Net LT general obligation indebtedness for metropolitan functions	(611,061,317)
LT GENERAL OBLIGATION DEBT MARGIN FOR METROPOLITAN FUNCTIONS	\$ 1,076,398,170
Debt limit of LT general obligations for general county purposes and metropolitan functions - 1 1/2% of assessed value	\$ 3,374,918,973
Less: Net LT general obligation indebtedness for general county purposes	(901,435,683)
Net LT general obligation indebtedness for metropolitan functions	(611,061,317)
Net total LT general obligation indebtedness for general county purposes and metropolitan functions	(1,512,497,000)
LT GENERAL OBLIGATION DEBT MARGIN FOR GENERAL COUNTY PURPOSES AND METROPOLITAN FUNCTIONS	\$ 1,862,421,973
Debt limit of total general obligations for metropolitan functions	
2 1/2% of assessed value	\$ 5,624,864,955
Less: Net total general obligation indebtedness for metropolitan functions	(611,061,317)
TOTAL GENERAL OBLIGATION DEBT MARGIN FOR METROPOLITAN FUNCTIONS	\$ 5,013,803,638
Debt limit of total general obligations for general county purposes	
2 1/2% of assessed value	\$ 5,624,864,955
Less: Net unlimited tax general obligation indebtedness for general county purposes	(249,331,375)
Net LT general obligation indebtedness for general county purposes	(901,435,683)
Net total general obligation indebtedness for general county purposes	(1,150,767,058)
TOTAL GENERAL OBLIGATION DEBT MARGIN FOR GENERAL COUNTY PURPOSES	\$ 4,474,097,897

Debt Limitation: Under Washington state law (Revised Code of Washington (RCW) 39.36.020), a county may incur general obligation debt for general county purposes in an amount not to exceed 2 1/2 percent of the assessed value of all taxable property within the county. State law requires all property to be assessed at 100 percent of its true and fair value. Unlimited tax general obligation debt requires an approving vote of the people, and any election to validate such general obligation debt must have a voter turnout of at least 40 percent of those who voted in the last State general election and, of those voting, 60 percent must be in the affirmative. The County Council may by resolution authorize the issuance of limited tax general obligation debt in an amount up to 1 1/2 percent of assessed value of property within the County for general county purposes and 3/4 percent for metropolitan functions, but the total of limited tax general obligation for general county purposes and metropolitan functions should not exceed 1 1/2 percent of the assessed value. No combination of limited and unlimited tax debt, for general county purposes, and no combination of limited and unlimited tax debt, for metropolitan functions, may exceed 2 1/2 percent of the valuation. The debt service on unlimited tax debt is secured by excess property tax levies, whereas the debt service on limited tax debt is secured by property taxes collected within the \$1.80 per \$1,000 of assessed value operating levy.